



Billing Code: 3510-DS-P

DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-601]

Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China: Preliminary Results, Partial Rescission of Antidumping Duty Administrative Review, and Preliminary Rescission of New Shipper Review; 2014-2015

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Department) is conducting an administrative review (AR) and a new shipper review (NSR) of the antidumping duty order on tapered roller bearings and parts thereof, finished and unfinished (TRBs), from the People's Republic of China (PRC). The AR covers four¹ exporters, of which the Department selected two mandatory respondents for individual examination (*i.e.*, Changshan Peer Bearing Co. Ltd. (CPZ/SKF); and Yantai CMC Bearing Co., Ltd. (Yantai CMC)). The NSR covers Shandong Bolong Bearing Co., Ltd. (Bolong). The period of review (POR) is June 1, 2014, through May 31, 2015.

We preliminarily determine that sales of subject merchandise have been made below normal value (NV). In addition, we preliminarily determine that Bolong's sale to the United States is not bona fide, as required by section 751(a)(2)(B)(iv) of the Tariff Act of 1930, as amended (the Act).² Therefore, we are preliminarily rescinding this NSR. If these preliminary results are adopted in the final results of this review, we will instruct U.S. Customs and Border

¹ This figure does not include one exporter for which the Department is preliminarily rescinding the administrative review.

² On February 24, 2016, the President of the United States signed into law the Trade Facilitation and Trade Enforcement Act of 2015, Public Law 114-125 (February 24, 2016), which made amendments to section 751(a)(2)(B) of the Act. These amendments apply to this determination.

Protection (CBP) to assess antidumping duties on all appropriate entries. Interested parties are invited to comment on these preliminary results.

DATES: Effective Date: [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Blaine Wiltse or Manuel Rey, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone: (202) 482-6345 or (202) 482-5518, respectively.

SUPPLEMENTARY INFORMATION:

Scope of the Order

The merchandise covered by the order includes tapered roller bearings and parts thereof. The subject merchandise is currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheadings: 8482.20.00, 8482.91.00.50, 8482.99.15, 8482.99.45, 8483.20.40, 8483.20.80, 8483.30.80, 8483.90.20, 8483.90.30, 8483.90.80, 8708.70.6060, 8708.99.2300, 8708.99.4850, 8708.99.6890, 8708.99.8115, and 8708.99.8180. The HTSUS subheadings are provided for convenience and customs purposes only; the written description of the scope of the order is dispositive.³

³ For a complete description of the scope of the order, see memorandum from Gary Taverman, Associate Deputy Assistant Secretary for Antidumping and Countervailing Duty Operations, to Ronald K. Lorentzen, Acting Assistant Secretary for Enforcement and Compliance, entitled "Decision Memorandum for the Preliminary Results of the 2014-2015 Antidumping Duty Administrative Review and New Shipper Review of Tapered Roller Bearings and Parts Thereof, Finished and Unfinished, from the People's Republic of China" (Preliminary Decision Memorandum), issued concurrently with and hereby adopted by this notice.

Tolling of Deadlines for Preliminary Results

As explained in the memorandum from the Acting Assistant Secretary for Enforcement and Compliance, the Department exercised its discretion to toll all administrative deadlines for the duration of the closure of the Federal Government during Snowstorm “Jonas.”⁴ Therefore, all deadlines in this segment of the proceeding have been extended by four days. The revised deadline for the preliminary results of this review is now July 5, 2016.

Partial Rescission of the Administrative Review

Pursuant to 19 CFR 351.213(d)(1), the Secretary will rescind an administrative review, in whole or in part, if a party who requested the review withdraws the request within 90 days of the date of publication of notice of initiation of the requested review. On October 27, 2015, GGB Bearing Technology (Suzhou) Co., Ltd. (GGB) timely withdrew its request for an administrative review.⁵ No other party had requested a review of GGB. Based on the timely withdrawal of the request for review and because GGB established its entitlement to a separate rate from a prior segment, the Department is rescinding this administrative review with respect to GGB, in accordance with 19 CR 351.213(d)(1).

Preliminary Rescission of the NSR

As discussed in the Bona Fides Analysis Memorandum,⁶ the Department preliminarily finds that the single sale made by Bolong to the United States during the POR is not a bona fide

⁴ See Memorandum to the Record from Ron Lorentzen, Acting Assistant Secretary for Enforcement and Compliance, regarding “Tolling of Administrative Deadlines As a Result of the Government Closure During Snowstorm Jonas,” dated January 27, 2016.

⁵ See Letter to the Department from GGB, “Withdrawal of Administrative Review Request in the Antidumping Duty Order on Tapered Roller Bearings from the People’s Republic of China (POR: 06/01/14-5/31/15),” dated October 27, 2015.

⁶ See Memorandum from Manuel Rey, International Trade Analyst, to Melissa Skinner, Director of AD/CVD Operations, dated July 5, 2016 entitled, “New Shipper Review of Tapered Roller Bearings and Parts

sale. The Department reached this conclusion based on the totality of the circumstances surrounding the reported sale, including:

(I) the prices of such sales; (II) whether such sales were made in commercial quantities; (III) the timing of such sales; (IV) the expenses arising from such sales; (V) whether the subject merchandise involved in such sales was resold in the United States at a profit; (VI) whether such sales were made on an arms-length basis; and (VII) any other factor {it} determines to be relevant as to whether such sales are, or are not, likely to be typical of those the exporter or producer will make after completion of the review.⁷

Because the non-bona fide sale was the only reported sale of subject merchandise during the POR, and thus there are no reviewable transactions on this record, we are preliminarily rescinding the NSR. Because much of the factual information used in our analysis of Bolong's sale involves business proprietary information, a full discussion of the basis for our preliminary determination is set forth in the Bona Fides Analysis Memorandum.

We further note that Bolong's NSR request did not conform to the Department's regulations at 19 CFR 351.214(b)(2)(ii). 19 CFR 351.214(b)(2)(ii) requires that, in order to qualify for a NSR, the requestor must provide certifications from both itself and any company that supplied it with subject merchandise that neither party exported the subject merchandise to the United States during the period of investigation. In this case, Bolong purchased in-scope components from unaffiliated producers, and it failed to provide the certifications required by 19

Thereof from the People's Republic of China – Bona Fides Sales Analysis” (Bona Fides Analysis Memorandum), issued concurrently with and hereby adopted by this notice.

⁷ See section 751(a)(2)(B)(iv) of the Act.

CFR 351.214(b)(2)(ii) from those producers. The Department requires appropriate certifications from any company requesting a NSR that sources in-scope merchandise, whether finished or unfinished, from its suppliers. In conjunction with any arguments that its reported sale is bona fide, Bolong shall submit the requisite certifications from the suppliers of the subject merchandise.

Methodology

The Department is conducting this review in accordance with section 751(a)(1)(B) of the Act. As noted above, there are two mandatory respondents in this administrative review: CPZ/SKF and Yantai CMC. For CPZ/SKF, we calculated constructed export prices in accordance with section 772 of the Act. Because the PRC is a non-market economy (NME) within the meaning of section 771(18) of the Act, NV has been calculated in accordance with section 773(c) of the Act.

For Yantai CMC, we preliminarily find that this respondent is ineligible for a separate rate because it has failed to demonstrate an absence of de facto government control in this administrative review. Therefore, we did not calculate a separate margin for Yantai CMC.

For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be found at <http://enforcement.trade.gov/frn/>. The signed Preliminary Decision Memorandum and the electronic version of the Preliminary Decision Memorandum are

identical in content. A list of the topics discussed in the Preliminary Decision Memorandum is attached as the Appendix to this notice.

Rate for Non-Examined Companies Which Are Eligible for a Separate Rate

As indicated in the “Preliminary Results of Review” section below, we preliminarily determine that a margin of zero percent applies to the two firms not selected for individual review but determined to be eligible for a separate rate. For further information, see the Preliminary Decision Memorandum at “Rate for Non-Examined Companies Which Are Eligible for a Separate Rate.”

Preliminary Results of Review

Because Yantai CMC did not demonstrate that it was entitled to a separate rate, the Department preliminarily finds Yantai CMC to be part of the PRC-wide entity.⁸ The rate previously established for the PRC-wide entity is 92.84 percent.

The Department preliminarily determines that the following weighted-average dumping margins exist for the period June 1, 2014, through May 31, 2015:

Exporters	Weighted-Average Percent Margin
Changshan Peer Bearing Co., Ltd.	0.00 Percent
Haining Nice Flourish Auto Parts Co., Ltd.*	0.00 Percent
Roci International (HK) Limited*	0.00 Percent

⁸ See Preliminary Decision Memorandum, at 8-10. Pursuant to the Department’s change in practice, the Department no longer considers the NME entity as an exporter conditionally subject to administrative reviews. See Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings, 78 FR 65963, 65970 (November 4, 2013). Under this practice, the NME entity will not be under review unless a party specifically requests, or the Department self-initiates, a review of the entity. Because no party requested a review of the entity, the entity is not under review and the entity’s rate is not subject to change.

*This company demonstrated that it qualified for a separate rate in this administrative review.

Disclosure and Public Comment

The Department will disclose calculations performed for these preliminary results to the parties within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). Interested parties may submit case briefs no later than 30 days after the date of publication of these preliminary results of review.⁹ Rebuttals to case briefs may be filed no later than five days after case briefs are filed and all rebuttal briefs must be limited to comments raised in the case briefs.¹⁰ Parties who submit comments are requested to submit with the argument: 1) a statement of the issue; 2) a brief summary of the argument; and 3) a table of authorities.¹¹

Any interested party may request a hearing within 30 days of publication of this notice.¹² Hearing requests should contain the following information: (1) the party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. Oral presentations will be limited to issues raised in the briefs.¹³ If a request for a hearing is made, parties will be notified of the time and date for the hearing to be held at the U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230.¹⁴

All submissions, with limited exceptions, must be filed electronically using ACCESS.

An electronically filed document must be received successfully in its entirety by 5 p.m. Eastern

⁹ See 19 CFR 351.309(c)(1)(ii).

¹⁰ See 19 CFR 351.309(d).

¹¹ See 19 CFR 351.309(c)(2).

¹² See 19 CFR 351.310(c).

¹³ Id.

¹⁴ See 19 CFR 351.310(d).

Time (ET) on the due date. Documents excepted from the electronic submission requirements must be filed manually (i.e., in paper form) with the APO/Dockets Unit in Room 18022 and stamped with the date and time of receipt by 5 p.m. ET on the due date.

Unless otherwise extended, the Department intends to issue the final results of this administrative review, which will include the results of its analysis of all issues raised in the case briefs, within 120 days of publication of these preliminary results, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuance of the final results of the administrative review, the Department will determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review.¹⁵ If the preliminary results are unchanged for the final results we will instruct CBP to apply an ad valorem assessment rate of zero percent to all entries of subject merchandise during the zero percent to all entries of subject merchandise during the POR which were produced and/or exported by CPZ/SKF and the two aforementioned companies which were not selected for individual examination but were found to be eligible for a separate rate.

If we determine in the final results that an individually-examined respondent in the administrative review (e.g., CPZ/SKF) has a weighted-average dumping margin which is not zero or de minimis (i.e., less than 0.5 percent), then we will calculate importer-specific assessment rates based on the ratio of the total amount of dumping calculated for the importer's

¹⁵ See 19 CFR 351.212(b)(1).

examined sales to the total entered value of those sales, in accordance with 19 CFR 351.212(b)(1).¹⁶

For the final results, if we continue to treat Yantai CMC as part of the PRC-wide entity, we will instruct CBP to apply an ad valorem assessment rate of 92.84 percent to all entries of subject merchandise during the POR which were exported by Yantai CMC.

We intend to issue assessment instructions to CBP 15 days after the publication of the final results of this review.

For entries that were not reported in the U.S. sales databases submitted by companies individually examined during the administrative review, the Department will instruct CBP to liquidate such entries at the PRC-wide rate. In addition, if the Department determines that an exporter under review had no shipments of the subject merchandise, any suspended entries that entered under that exporter's case number (i.e., at that exporter's rate) will be liquidated at the PRC-wide rate.¹⁷

If we proceed to a final rescission of the NSR, Bolong's entries will be assessed at the rate entered.¹⁸ If we do not proceed to a final rescission of the NSR, pursuant to 19 CFR 351.212(b)(1), we will calculate an importer-specific assessment rate for Bolong. We will instruct CBP to assess antidumping duties on all appropriate entries covered by this NSR if the

¹⁶ In these preliminary results, the Department applied the assessment rate calculation method adopted in Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification, 77 FR 8101 (February 14, 2012).

¹⁷ For a full discussion of this practice, see Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties, 76 FR 65694 (October 24, 2011).

importer-specific assessment rate calculated in the final results of this NSR is above de minimis.¹⁹

Cash Deposit Requirements

The following cash deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided for by section 751(a)(2)(C) of the Act: (1) for the exporters listed above which have a separate rate, the cash deposit rate will be the rate established in the final results of this review (except, if the rate is zero or de minimis, then a cash deposit rate of zero will be established for that company); (2) for previously investigated or reviewed PRC and non-PRC exporters not listed above that have separate rates, the cash deposit rate will continue to be the exporter-specific rate published for the most recently completed segment of this proceeding; (3) for all PRC exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be the rate for the PRC-wide entity, 92.84 percent; and (4) for all non-PRC exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the PRC exporter(s) that supplied that non-PRC exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Effective upon publication of the final rescission or the final results of the NSR, pursuant to section 751(a)(2)(B)(iii) of the Act and 19 CFR 351.214(e), the Department will instruct CBP to discontinue the option of posting a bond or security in lieu of a cash deposit for entries of subject merchandise by Bolong. If the Department proceeds to a final rescission of the NSR, the

cash deposit rate will continue to be the PRC-wide rate for Bolong because the Department will not have determined an individual margin of dumping for this company. If the Department issues final results for the NSR, the Department will instruct CBP to collect a cash deposit, effective upon the publication of the final results, at the rate established therein.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

We are issuing and publishing these preliminary results of reviews in accordance with sections 751(a)(1), 751(a)(2)(B) and 777(i)(1) of the Act, and 19 CFR 351.221(b)(4).

Dated: July 5, 2016.

Ronald K. Lorentzen,
Acting Assistant Secretary
for Enforcement and Compliance.

Appendix – List of Topics Discussed in the Preliminary Decision Memorandum

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5. Discussion of the Methodology for the Administrative Review
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 - b. Separate Rates
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- d. The PRC-Wide Entity
 - e. Collapsing of CPZ/SKF with Another Producer of TRBs
 - f. Surrogate Country
 - g. Date of Sale
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6. Conclusion